

S E C R E T

BOMA-57934

Chief, SH Chief, RO Chief of Station, Germany
COB/Berlin Chief, ROB

EXCERPTING PERMIT

14-126-273

FF SOV-128

Chief, Marxist Operations Group

CANON/CATCHER/REDWOOD/AEVIRGIL/Operations
Close Down of AEVIRGIL 51

CWS Priority, see paragraph 3

DIR-1418X 27 September 1961

GENERAL

1. Upon receipt of Reference with instructions to terminate AEVIRGIL 51 activities, action to implement the instructions were taken immediately. The advisability of retaining AEVIRGIL 51 activities had become increasingly questionable, especially so since the 13th of August 1961 at which time the marginal intelligence gathering activity came to a complete halt, while the propaganda program had been in decline following the AEVIRGIL 55 episode of the summer of 1960. The following paragraphs describe the activities related to the close down and, present as well, some of the problems encountered in the disposal of physical property and termination of personnel. In most instances, these problems were resolved locally while others are still pending.

REAL ESTATE

2. AEVIRGIL 51 quietly closed its doors to the public in mid-December 1961. There was no attendant fanfare nor publicity. The property used by AEVIRGIL 51 as office space had been leased on an annual basis, from 30 September to 1 October, with a ninety day renewal or termination clause. Inasmuch as the decision to close down was made in September, too late to take advantage of the ninety day clause, the lease was automatically renewed and will remain in force until 1 October 1962 at a monthly rate of 450 DM. With the property vacant and although the opportunity to sublease it exists, we are of the opinion that the office should remain vacant. The property is "hot" having been the target of many and varied harassments, and should an AEVIRGIL sublessee become the target of the opposition, whether by accident or with intent, AEVIRGIL could find itself in trouble.

3. In January 1960 AEVIRGIL 51 purchased a 15-year contract for the services of an elaborate alarm system which had direct contact with the nearest police station. The system may possibly be credited with saving the life of AEVIRGIL 51 when, upon receiving grave head injuries at the hands of his assailant, he was still able to push the alarm button and summon aid. When AEVIRGIL 51 notified the owners of the contract that the organization was being dissolved and that the services would no longer be required, the company agreed to reduce the length of the contract in half and thereby relinquish it for a sum of 7,000 DM. We believe this to be an inequitable proposal and are therefore looking for another solution with the aid of the AEVIRGIL attorney.

4. Payment of outstanding utility bills and the notification of the close down to parties directly affected were accomplished by AEVIRGIL 510.

PERSONNEL

5. AEVIRGIL 510, who had been volubly indicating a desire to leave Berlin for Western Germany prior to the close down decision, departed Berlin in mid-December following the completion of her duties with AEVIRGIL 51. Her parents, with whom she lived under her true name, departed Berlin on 1 November 1961 for Augsburg, West Germany. It should be noted that she used an alias while employed at AEVIRGIL 51, backstopped by appropriate documentation. Following the 13th of August, and as it became more apparent that our need for her services at AEVIRGIL 51 was rapidly dwindling, we explored the possibility of transferring her to some other element within ROB, but due to the fact that she was obviously known to the opposition, having suffered several minor

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harassments, it was decided that termination and resettlement in West Germany would be the best choice of action. During this period it was suggested that she be offered to CALLIKAK who, we were advised, was in need of personnel with language capabilities such as possessed by AEVIRGIL 510. In due course she submitted a formal application, was interviewed by a CALLIKAK representative, and was told that chances for her employment by that organization were good provided she could be properly cleared, a process which might take as long as six months. Inasmuch as she was also told that, if employed, she would be working either at Frankfurt or Nurnberg, we decided to move her to Frankfurt forthwith, and she was thus taken over by HARVARD with the understanding that this was temporary aid provided her until she obtained some sort of employment. AEVIRGIL 510 arrived in Frankfurt on 11 December 1961, at KUBARK expense, and was put up in a HARVARD safe apartment which, we felt, fully covered her needs. She, however, complained bitterly that she was not permitted any freedom of movement and was not allowed to entertain any visitors, specifically mentioning relatives. She was also under the mistaken impression that she was to obtain immediate employment with CALLIKAK. In order to correct her misunderstanding and at the same time obtain her signature on a quitclaim through the payment of a termination bonus, [REDACTED] visited her on the 19th and 20th of December.

[REDACTED] was successful in explaining to her satisfaction the somewhat restrictive conditions in regard to her living in the safe apartment, but failed to reach any kind of an agreement in respect to the termination bonus. She flatly refused to accept the sum of 7,500 DM, computed on the basis of longevity, nor would she, of course, sign the quitclaim document. She based her objection on: (a) her knowledge of the fact that AEVIRGIL 509 had received a termination bonus of 10,000 DM and (b) her fear that she would forever be cut off from her association with us, i.e., KUBARK. Although we cannot deny the fact that she was correct in both respects, we made no counter proposals for her benefit. She asked for additional time to think the matter over and was given until 15 January 1962 to reach a final decision, following which date she would lose the offer. To date we have heard nothing in this connection but cannot exclude the possibility that she will make further demands at a later date.

6. AEVIRGIL 615, alias BERN, former AECACATCL balloon team member, handy man, chauffeur will be terminated for an agreed upon sum of 3,500 DM and will be moved to Hannover, West Germany at an approximate cost of 1,500 DM. These are commitments of long standing relating specifically to AEVIRGIL 51 employees. BERN has agreed to be available, on call, for duty with the CAFREE balloon team in Koenigsflitter and has already met with some success for future employment in Hannover as a driver. In order to obtain living quarters in Hannover he will be required to deposit "key money" of from 2,000 to 3,000 DM, a sum which will have to come out of his termination bonus.

7. Siegfried RICHTER, who took over AEVIRGIL 51's duties following his departure from Berlin in the summer of 1960, was terminated and resettled by AEVIRGIL 50.

FINANCES

8. The overt AEVIRGIL 51 account was closed with the bank transfer of 26,869.65 DM to the AEVIRGIL 50 account in December 1961. Inasmuch as AEVIRGIL 51 received an allotment of \$15,000 for FY/62 and obligated only the sum of \$10,000 through the overt bank transfers, a sum of \$5,000 should be available to be used for the termination expenses of AEVIRGIL 615, payment of rent, settlement of the alarm system and other expenses formerly paid by AEVIRGIL 51, now to be borne by AEVIRGIL 50. It is our understanding that a sum in the neighborhood of \$5,000, the remainder of the allotment, was the subject of a paper transfer from MCG Finance to COS, Germany Finance. It would be appreciated if the correct amount is transferred to MCG Finance for the AEVIRGIL expenditures set forth above.

CONFIRMATION OF
DISPATCH

CLASSIFICATION

DISPATCH SYMBOL ETC NO.

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CONCLUSION

9. This paper should, insofar as we are able to judge at the present time, be the final document relating to AEWIRGIL 51 as supervised by the former POB case officer. Any and all matters concerning AEWIRGIL 51 will, in the future, be reported by the AEWIRGIL 50 case officer.

APPROVED

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